
Public Utilities Commission of the State of California

Results of Public Agenda 3175

Meeting Held on Thursday, June 29, 2006 10:00 a.m.

San Francisco, California

Commissioners

Michael R. Peevey, President

John A. Bohn

Geoffrey F. Brown

Rachelle B. Chong

Dian M. Grueneich

Website: <http://www.cpuc.ca.gov>

Scheduled Commission Meetings

505 Van Ness Avenue, San Francisco

<i>Ratesetting Deliberative Meeting*</i> <i>Room 5305</i> <i>(1:30 p.m.)</i> <i>Closed to the Public</i>	<i>Commission Meeting</i> <i>Auditorium</i> <i>(10 a.m.)</i> <i>Open to the Public</i>
Monday, July 17, 2006 (San Francisco)	Thursday, July 20, 2006 (San Francisco)
Monday, August 21, 2006 (San Francisco)	Thursday, August 24, 2006 (San Francisco)
Tuesday, September 05, 2006 (San Francisco)	Thursday, September 07, 2006 (San Francisco)
Monday, September 18, 2006 (San Francisco)	Thursday, September 21, 2006 (San Francisco)
Monday, October 02, 2006 (San Francisco)	Thursday, October 05, 2006 (San Francisco)

**Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered and a Commissioner has requested that a Ratesetting Deliberative Meeting be held.*

For further information contact the Public Advisor
(415) 703-2074 E-mail: public.advisor@cpuc.ca.gov



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PUBLIC COMMENT

The following items are not subject to public comment:

- All items on the closed session agenda; these are HEX and EX items.
-

Public Comment:

Consent Agenda

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each Commission meeting. Items may be removed from the Consent Agenda for discussion on the Regular Agenda at the request of any Commissioner prior to the meeting.

Orders and Resolutions

1

Res TL- 19076

[5595]

Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.

Outcome Approved

[Res TL-19076](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

2

Res ALJ 176-3175

[5598]

Ratification of preliminary determination of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4 and 6.1 of the Commission's Rules of Practice and Procedure.

Outcome Approved

[Res ALJ 176-3175](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

3

[5589]

R03-10-003 - Order Instituting Rulemaking to implement AB 117 concerning community choice aggregation.

R04-03-017 - Related matters. This decision denies the motion of Michael Kyes, filed September 7, 2005. The motion asks the Commission to permit the purchase and sale of power by private aggregators based on Kyes' interpretation of Public Utilities Code Section 366(b). This decision finds the Commission is barred from permitting private aggregation by Water Code Section 80110. These proceedings are closed.

(Comr Peevey - ALJ Malcolm)

Agenda 3173, Item 8 5/25/2006 (Bohn);

Agenda 3174, Item 4 6/15/2006 (Bohn)

Outcome Signed

[D06-06-045](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

4

[5721]

A05-08-034 - Suburban Water Systems (Suburban).

This decision grants Suburban interim rate relief on July 1, 2006, based on the rate of inflation as compared with existing rates. Interim rate relief is in the public interest, because the delay in processing Suburban's general rate case is not Suburban's fault. Suburban has made a substantial showing supporting a rate increase at least equal to the rate of inflation in its filings in this proceeding.

(Comr Bohn - ALJ Grau)

Outcome Signed

[D06-06-046](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

5

[5722]

A06-01-006 - Sunesis, Inc. (Applicant).

This decision grants Applicant a certificate of public convenience and necessity authorizing the provision of full facilities-based local exchange and interexchange services. The decision also specifies a procedure for review of Applicant's claimed California Environmental Quality Act exemptions. This proceeding is closed.

(Comr Bohn - ALJ Prestidge)

Outcome Signed

[D06-06-047](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

6

[5723]

Res T-17023

This resolution revokes, at the request of the companies, the certificate of public convenience and necessity (CPCN) of MCI Network Services, Inc. (CPCN # (#) 5011); ICG Communications, Inc. (#5406); American Farm Bureau, Inc. (#6010); KMC Telecom V, Inc. (#6382); Acceris Communications Corp. (#6390); Universal Broad Communications (#6424); CRC Communications of California, Inc. (#6483); Telefyne Incorporated (#6570); Dial Worldwide Communications, Inc. (#6744); The Entheos Company (#6771); American Long Lines, Inc. (#6814); Impact Network Solutions, Inc. (#6824), Gilltel Communications (#6887); Volume Telecom (#6933); and National Professional Teleservices, LLC (#6934).

Outcome Approved[Res T-17023](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

7

[5726]

A05-02-019 - San Diego Gas & Electric Company (SDG&E).

For authority to make various electric rate design changes, close certain rates, and revise cost allocation among customer classes effective January 1, 2006. This decision awards Utility Consumers' Action Network intervenor compensation for its substantial contributions to D05-12-003 for SDG&E's 2006 electricity rate design window proceeding. This proceeding is closed.

(Comr Grueneich - ALJ Long)

Outcome Signed[D06-06-048](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

8

[5727]

A05-05-006 - Pacific Gas and Electric Company.

For authority to establish its authorized rate of return on common equity for electric utility generation and distribution operations and gas distribution for Test Year 2006. A05-05-011, A05-05-012 - Related matters. This decision awards Aglet Consumer Alliance and The Utility Reform Network jointly \$123,276 for their substantial contributions to Decision 05-12-043.

(Comr Peevey - ALJ Galvin)

Outcome Signed[D06-06-049](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

-
- 9**
[5728] **A06-03-024 - Advantage Telecommunications Corp. dba ADV Telecom (Applicant).**
This decision grants Applicant's application to transfer control of Advantage Telecommunications Corp. from Sonia Bly to Robert Sorrentino. This proceeding is closed.
(Comr Chong - ALJ Bemederfer)
Outcome Signed
[D06-06-050](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 10**
[5729] **Res T-17027 - Citizens Telecommunications Company of California, Inc. (CTC) dba Frontier Communications of California (Frontier).**
This resolution approves the request of CTC dba Frontier in Advice Letter No. 943 to modify Schedule Cal P.U.C. No.A5 - Optional Features tariff language by adding the terms and conditions to the existing tariff to further define how Remote Call Forwarding service can and should be used.
(Advice Letter 943, filed May 4, 2006)
Outcome Approved
[Res T-17027](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 11**
[5730] **Res W-4606 - Lake Forest Water Company (LFWC).**
This resolution authorizes LFWC an interim general rate increase subject to refund, producing an increase in gross annual revenues of \$35,000 or 70.2%.
Outcome Approved
[Res W-4606](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
-

12

[5731]

A06-04-016 - Southern California Edison Company (SCE).

This decision authorizes SCE to maintain its currently authorized Energy Resource Recovery Account (ERRA) rates. SCE is required to monitor its ERRA balances on a frequent basis and file timely expedited ERRA applications. In the future, SCE is authorized to notify the Commission through advice letter filings instead of expedited applications when ERRA balances exceed its trigger points, but no changes in ERRA rates are required to amortize balance. Expedited ERRA applications shall continue to be used when rate changes are necessary to amortize ERRA balances. This proceeding is closed.

(Comr Peevey - ALJ Galvin)

Outcome Signed[D06-06-051](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

13

[5732]

A06-03-021 - Mountain House Community Services District.

This decision grants the request of the Mountain House Community Services District to construct the grade-separated highway-rail crossings of Central Parkway over the tracks of the Union Pacific Railroad Company in San Joaquin County. This proceeding is closed.

(Exam Clark)

Outcome Signed[D06-06-052](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

14

[5733]

C05-07-021 - Utility Consumers' Action Network vs. Sprint Telephony PCS, L.P., WirelessCo, L.P. dba Sprint PCS.

This decision extends statutory deadline for three months to allow parties to finalize settlement agreement.

(Comr Grueneich - ALJ Bushey)

Outcome Signed[D06-06-053](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

15

[5734]

C05-07-022 - Utility Consumers' Action Network vs. Cingular Wireless.

This decision extends statutory deadline for three months to allow parties to finalize settlement agreement.

(Comr Grueneich - ALJ Bushey)

Outcome Signed[D06-06-054](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

16

[5738]

C04-10-024 - Pac-West Telecomm, Inc. vs. AT&T Communications of California, Inc., Teleport Communications Group of San Francisco, Teleport Communications Group of Los Angeles, Teleport Communications Group of San Diego.

This decision, like the Presiding Officer's Decision, grants the complaint filed by Pac-West Telecomm, Inc. against AT&T Communications of California, Inc. Pac-West alleges that AT&T is obliged to pay the termination charges in Pac-West's intrastate tariff for traffic that originates on AT&T's network and is terminated on Pac-West's network. AT&T argues that it is not obliged to pay such charges, because virtually all of the AT&T traffic that Pac-West terminates is "ISP-bound" within the meaning of the FCC's "ISP Remand Order" (16 FCC Rcd 9151), and that under ¶ 81 of that order, such traffic must be exchanged on a "bill-and-keep" basis. This decision concludes, however, that AT&T cannot rely on ¶ 81 of the ISP Remand Order, because AT&T has not made the "mirroring offer" required by ¶ 89 of the ISP Remand Order. Since AT&T does not dispute that if the termination charges are computed according to the Pac-West tariff applicable here, the amount due would be \$7,115,014.16, the decision directs AT&T to pay Pac-West that amount. The decision also concludes, however, that AT&T is not obliged to pay Pac-West either interest or the late payment charges specified in the latter's tariff. This proceeding is closed.

(Comr Peevey - ALJ McKenzie)

Outcome Signed[D06-06-055](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

17

[5739]

Res T-17032 - Citizens Telecommunications Company of Tuolumne dba Frontier Communications of Tuolumne.

Citizens Telecommunications Company of Tuolumne dba Frontier Communications of Tuolumne (Frontier) requests approval of an Interconnection Agreement between Frontier and T-Mobile USA, Inc., pursuant to Section 252 of the Telecommunications Act of 1996 and in accordance with the provisions of General Order 96-A and Resolution ALJ-181. (Advice Letter 175, filed May 12, 2006)

Outcome Approved[Res T-17032](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

18

[5740]

Res T-17031 - Citizens Telecommunications Company of the Golden State dba Frontier Communications of the Golden State.

Citizens Telecommunications Company of the Golden State dba Frontier Communications of the Golden State (Frontier) requests approval of an Interconnection Agreement between Frontier and T-Mobile USA, Inc., pursuant to Section 252 of the Telecommunications Act of 1996 and in accordance with the provisions of General Order 96-A and Resolution ALJ-181. (Advice Letter 185, filed May 12, 2006)

Outcome Approved[Res T-17031](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

19

[5741]

Res T-17033 - Citizens Telecommunications Company of California, Inc. dba Frontier Communications of California.

Citizens Telecommunications Company of California, Inc. dba Frontier Communications of California (Frontier) requests approval of an Interconnection Agreement between Frontier and T-Mobile USA, Inc., pursuant to Section 252 of the Telecommunications Act of 1996 and in accordance with the provisions of General Order 96-A and Resolution ALJ-181. (Advice Letter 945, filed May 12, 2006)

Outcome Approved[Res T-17033](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

20

[5744]

A04-01-009 - Pacific Gas and Electric Company.

For authority to increase revenue requirements to recover the costs to replace steam generators in Units 1 and 2 of the Diablo Canyon Power Plant. This decision awards San Luis Obispo Mothers for Peace, Sierra Club and Public Citizen (collectively MFP) \$146,687.40 in compensation for its substantial contributions to D05-02-052 and D05-11-026. The request of Environment California for compensation for substantial contributions to D05-02-052, and D05-11-026, filed jointly with MFP, is denied. This is a decrease of \$286,887.43 from the total amount requested. This proceeding is closed.

(Comr Brown - ALJ O'Donnell)

Outcome Signed (Comr. Grueneich recused herself from this agenda item and was not part of the quorum in its consideration.)

D06-06-056

Yes: (Bohn, Brown, Chong, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

21

[5745]

A04-01-009 - Pacific Gas and Electric Company.

For authority to increase revenue requirements to recover the costs to replace steam generators in Units 1 and 2 of the Diablo Canyon Power Plant. This decision awards The Utility Reform Network \$106,689.35 in compensation for its substantial contributions to D05-02-052 and D05-11-026. This is a decrease of \$63,099.70 from the amount requested.

This proceeding is closed.

(Comr Brown - ALJ O'Donnell)

Outcome Signed (Comr. Grueneich recused herself from this agenda item and was not part of the quorum in its consideration.)

[D06-06-057](#)

Yes: (Bohn, Brown, Chong, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

22

[5746]

A04-01-009 - Pacific Gas and Electric Company.

For authority to increase revenue requirements to recover the costs to replace steam generators in Units 1 and 2 of the Diablo Canyon Power Plant. This decision awards Aglet Consumer Alliance \$30,249.17 in compensation for its substantial contributions to D05-02-052 and D05-11-026. This is a decrease of \$34,832.50 from the amount requested. This proceeding is closed.

(Comr Brown - ALJ O'Donnell)

Outcome Signed (Comr. Grueneich recused herself from this agenda item and was not part of the quorum in its consideration.)

[D06-06-058](#)

Yes: (Bohn, Brown, Chong, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

23 (Rev.)

[5747]

A05-08-030 - Lodi Gas Storage, L.L.C. (Lodi Gas).

This decision grants Lodi Gas' request for authority to issue up to \$110 million in long-term debt and to enter into contracts to manage the variable interest risks associated with its debt. This proceeding is closed.

(Comr Bohn - ALJ Ebke)

06/27/2006 - This revision was not shown on the Agenda mailed to the public.

Outcome Signed

[D06-06-059](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

24

[5748]

A04-11-011 - Pacific Gas and Electric Company (PG&E).

This decision grants PG&E a Permit to Construct a new 115 kV circuit between the existing Lakeville and Sonoma Substations. This proceeding is closed.

(Comr Brown - ALJ Allen)

Outcome Signed

[D06-06-060](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

25

[5757]

(ECP) C06-03-012 - Yvonne K. Day vs. Verizon California, Inc.

Complaint dismissed for lack of jurisdiction. Complainant seeks damages for the defendant's alleged intentional tortious conduct. The Commission has no jurisdiction to award damages.

This proceeding is closed.

(Comr Brown - ALJ Barnett)

Outcome Signed

[D06-06-061](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

Regular Agenda

Energy Orders

26 (Rev.) R05-10-030 - Order Instituting Rulemaking concerning relationship between California energy utilities and their holding companies and non regulated affiliates.
[5491]

This order amends the October 2005 Order Instituting Rulemaking, both as to scope and schedule, and requests public comment on the need for future revisions to the Commission's (1) Affiliate Transaction Rules and (2) General Order 77-L (which governs the reporting of compensation paid to executive officers and employees of regulated utilities). The OIR continues to apply only to the previously designated Respondents, California's major energy utilities and their holding companies: Southern California Edison Company/Edison International, Pacific Gas and Electric Company/PG&E Corporation, and Southern California Gas Company and San Diego Gas & Electric Company, both owned by Sempra Energy.

(Comr Brown - ALJ Vieth)

Agenda 3170, Item 60 4/13/2006 (Bohn);

Agenda 3171, Item 49 4/27/2006 (Bohn);

Agenda 3172, Item 26 5/11/2006 (Peevey);

Agenda 3174, Item 39 6/15/2006 (Staff)

06/19/2006 - This revision was not shown on the Agenda mailed to the public.

Outcome Signed

[D06-06-062](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

27

[5623]

R05-02-023 - Order Instituting Rulemaking to revise Commission General Order Number 95 pursuant to D05-10-030.

The Commission on February 24, 2005 issued this Order Instituting Rulemaking 05-02-023 to consider uniform rules for attaching wireless antennas to jointly used utility poles and towers. Following seven days of workshops in San Francisco and Los Angeles, the parties jointly presented a workshop report containing three alternative proposals for a new Rule 94 to General Order 95. The parties reached agreement on most of new Rule 94 but differed on provisions dealing with identification signs, the vertical clearance between supply conductors and wireless antennas with radio frequency (RF) emissions, and exceptions to the rules for certain low-emission antennas. This decision today adopts in its entirety the Rule 94 sponsored by the Commission's Consumer Protection and Services Division, the International Brotherhood of Electrical Workers Local 1245, the Communication Workers of America – Ninth District, Pacific Gas and Electric Company, and San Diego Gas & Electric Company. The decision rejects the assertions of some parties that elements of the new Rule 94 are preempted by Federal Communications Commission (FCC) rules regulating RF exposure, concluding instead that mere acknowledgement of the FCC's RF rules does not preempt a state agency which enacts construction rules intended to provide a safe working environment for those climbing and working on transmission poles. This proceeding is closed.

(Comr Brown - ALJ Walker)

Agenda 3173, Item 37 5/25/2006 (Chong);

Agenda 3174, Item 40 6/15/2006 (Bohn)

Outcome Held (7/20/06. Further consideration.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

28

[5684]

R04-04-025 - Order Instituting Rulemaking to promote consistency in methodology and input assumptions in Commission applications of short-run and long-run avoided costs, including pricing for qualifying facilities.

Today's decision addresses the "2006 Update" of avoided costs and related issues. For the evaluation of energy efficiency resources, the decision refines the interim avoided costs adopted in D05-04-024 in two ways. First, the decision adopts correction factors for residential and small commercial packaged air conditioning (a/c) unit installations, to account for the undervaluation of avoided costs when hourly avoided costs are averaged for these measures by time-of-use periods. Second, the decision updates the natural gas and generation avoided costs currently contained in the E3 calculator that produces ex ante estimates of energy efficiency portfolio cost-effectiveness based on recent market data and updated gas price forecasts. The Commission rejects, however, proposed modifications to the avoided costs methodology that would incorporate an adder during peak hours, either based on the costs of a combustion turbine or other factors. The decision finds that consideration of such an adder requires the resolution of complex theoretical issues, assumptions and methodological issues that are beyond the scope of this 2006 Update. In addition, today's decision addresses several other issues related to the valuation of energy efficiency resources that were identified for the 2006 Update, including: (1) a common definition for energy efficiency peak kW reductions to use in verifying energy efficiency program and portfolio performance, (2) the source of estimates of peak kW impacts that utilities should use for rebalancing their portfolios and reporting program accomplishments during the 2006-2008 program cycle, (3) the schedule for updating estimates of kW and kWh savings for customized rebate programs as they proceed with implementation, and (4) the calculation platform to be used for the ex ante evaluations and submissions of portfolio plans in preparation for the 2009-2011 program cycle. Today's decision also adopts an action plan for moving forward with the requisite load shape updating that all parties urge the Commission to take in order to improve program evaluation and resource planning efforts in the future. In addition, the decision identifies anomalies with respect to the treatment of costs in the total resource cost test that need to be corrected, and provides direction for this purpose. Finally, the decision establishes a process for continuing to assess and implement quality control improvements to the data assumptions and inputs used to perform cost-effectiveness calculations and for updating the E3 calculator in compliance with today's determinations.

(Comr Peevey - ALJ Gottstein)

Outcome Signed

D06-06-063

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

29

[5688]

R05-12-013 - Order Instituting Rulemaking to consider refinements to and further development of the Commission's Resource Adequacy Requirements Program.

Taking another step towards full implementation of a comprehensive program of resource adequacy requirements (RAR) applicable to Commission-jurisdictional electric load-serving entities (LSEs), the Commission establishes a new local procurement obligation as a component of the broader RAR program. LSEs that serve retail electric customers within defined, transmission-constrained areas must demonstrate that they have acquired adequate amounts of generation capacity within those defined areas beginning in 2007.

(Comr Peevey - ALJ Wetzell)

Outcome Signed[D06-06-064](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

30

[5701]

A04-01-034 - Southern California Gas Company (SoCalGas).

This decision approves a cost and revenue sharing mechanism for SoCalGas to allow it to explore for, and to produce native gas that may be located adjacent to its gas storage fields. The three appendices to this decision form the terms, conditions and rules of the sharing mechanism. This proceeding is closed.

(Comr Brown - ALJ Wong)

Outcome Signed (Comr. Bohn recused himself from this agenda item and was not part of the quorum in its consideration.)[D06-06-065](#)

Yes: (Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

31

[5702]

R05-06-040 - Order Instituting Rulemaking to implement Senate Bill No. 1488 (2004 Cal. Stats., Ch. 690 (Sept. 22, 2004)) relating to confidentiality of information.

This decision implements Senate Bill (SB) No. 1488 (2004 Cal. Stats., Ch. 690 (Sept. 22, 2004)). SB 1488 requires that the Commission examines its practices regarding confidential information to ensure meaningful public participation in its proceedings and open decision making, while taking account of its obligations under §§ 454.5(g) and 583 to protect the confidentiality of certain information.

(Comr Grueneich - ALJ Thomas)

Outcome Signed[D06-06-066](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

32

[5749]

A05-05-023 - Southern California Edison Company (SCE).

Application to establish marginal costs, allocate revenues, and design rates. This decision approves Settlement Agreement to allocate revenue requirement and design rates in SCE Phase 2 general rate case. This proceeding is closed.

(Comr Bohn - ALJ DeBerry)

Outcome Signed

D06-06-067

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

Energy Resolutions and Written Reports**33**

[5586]

Res E-3992 - Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E).

PG&E filed substitute sheets of Advice Letter (AL) 2793-E to update earlier approved revisions to Schedules for Net Energy Metering (NEM) including Schedules NEM, NEMBIO, NEMFC on March 2, 2006, and to Schedule NEMCT to correct section numbering on March 22, 2006. (PG&E's AL 2793-E, SCE's AL 1969-E, and SDG&E's AL 1777-E, filed February 27, 22 and 27, 2006 respectively)

Agenda 3173, Item 41 5/25/2006 (Staff);

Agenda 3174, Item 44 6/15/2006 (Staff)

Outcome Held (7/20/06.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

Telecommunication Orders**34 A05-10-026 - Foresthill Telephone Company.**

[5755]

This decision authorizes Foresthill Telephone Company (Foresthill) to enter into a loan agreement with The United States of America, acting through the Rural Utilities Service and the Rural Telephone Bank to borrow \$24,901,250 for system upgrades and to replace a higher cost interim loan used to finance the acquisition of Foresthill by its current owners. This decision also approves, on a prospective basis, the merger of Fortel, Inc. into Foresthill. This proceeding is closed. The Commission will separately open an investigation into whether the Pub. Util. Code or Commission orders were violated when Foresthill apparently attempted to encumber its assets to secure the interim financing of an acquisition debt without express authority of the Commission, and if so, whether penalties should be imposed.

(Exam Coughlan)

Outcome Signed

D06-06-068

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

35 R _____ - Order Instituting Rulemaking into implementation of Senate Bill 1276, as it affects California High-Cost Fund B.

[5756]

The goals of this review include, but are not limited to, adjusting universal service rate support payments to reflect updated operating costs, evaluating whether B-Fund support levels can be reduced and made more predictable while still meeting the goals of the program, ensuring it is competitively neutral, reducing rate disparity in residential basic service between urban and rural areas in the state, and finally, making the current administration of the program more efficient.

Outcome Signed

R06-06-028

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

Legislative Matters - Discussion**36**

[5398]

SB 1010 (Florez)

Intermodal facility in Shafter and track capacity reporting requirements.

Agenda 3169, Item 37 3/15/2006 (Staff);

Agenda 3170, Item 84 4/13/2006 (Staff);

Agenda 3171, Item 59 4/27/2006 (Staff);

Agenda 3172, Item 35 5/11/2006 (Staff);

Agenda 3173, Item 50 5/25/2006 (Staff);

Agenda 3174, Item 49 6/15/2006 (Staff)

Outcome Held (7/20/06.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

37

[5513]

SB 1539 (Kehoe)

San Diego Assn. of Governments Energy Working Group.

Agenda 3170, Item 98 4/13/2006 (Staff);

Agenda 3171, Item 60 4/27/2006 (Staff);

Agenda 3172, Item 36 5/11/2006 (Staff);

Agenda 3173, Item 51 5/25/2006 (Staff);

Agenda 3174, Item 50 6/15/2006 (Staff)

Outcome Withdrawn

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

38

[5695]

AB 32 (Nunez/Pavley)

California Global Warming Solutions Act of 2006: greenhouse gases.

Agenda 3174, Item 53 6/15/2006 (Staff)

Outcome Held (7/20/06.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

39

[5696]

AB 1969 (Chavez)

Public wastewater agencies: renewable electricity generation.

Agenda 3174, Item 54 6/15/2006 (Staff)

Outcome Held (7/20/06.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

40

[5759]

SB 440 (Speier)

Telco: mobile data and mobile telephony services: charges for unauthorized services

Outcome Held (7/20/06. Further consideration.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

Commissioner's Reports

41

[5667]

Commissioner Grueneich Report

Discussion and possible action adopting the California Memorandum of Understanding in Support of the National Action Plan for Energy Efficiency.

Agenda 3173, Item 62 5/25/2006 (Grueneich)

Outcome Approved

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

Management Reports and Resolutions**42**

[5680]

Director Clark Report

Designation of Consumer Protection and Safety Division investigators authorized to exercise the limited powers of a peace officer within the scope of their duties as specified in Penal Code Section 830.11 and Pub. Util. Code Section 308.5. This matter will be presented before the Commission for discussion and action.

Agenda 3174, Item 57 6/15/2006 (Staff)

Outcome Approved-Staff Recommendation

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

Closed Session

This notice is furnished under Government Code Sections 11125 and 11126.3. The Commission will meet in Closed Session following the Public Session of its regularly scheduled meeting. In the Closed Session, the Commission may consider personnel matters as provided under Government Code Section 11126(a), institution of proceedings or disciplinary actions against any person or entity under the jurisdiction of the Commission as provided under Government Code Sections 11126(d)(2) and 11126(e)(2)(C)(i), and pending litigation as provided under Government Code Section 11126(e). Additional items may be added to the closed session agenda pursuant to Gov. Code Section 11126.3(d). If in Closed Session the Commission votes to appoint, employ, or dismiss a public employee, the Commission will thereafter reconvene in Open Session to make the

Applications for Rehearing

- 44** **R02-11-039 - Conference with Legal Counsel - Application for Rehearing**
 [5705] Disposition of application for rehearing of D04-12-049 filed by Mirant Delta, LLC and Mirant Potrero, LLC. D04-12-049 adopted operations standards for electric generating facilities pursuant to Public Utilities Code Section 761.3.
 Agenda 3174, Item 62 6/15/2006 (Staff)
 Outcome Signed
 D06-06-069
 Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
 No: (none)
 Abstain: (none)
 Absent: (none)
- 45** **A01-02-024 - Conference with Legal Counsel - Application for Rehearing**
 [5709] A01-02-035, A02-02-031 - Related matters. Disposition of Applications for Rehearing of D04-09-063, filed by AT&T Communications of California, Inc. and MCI, Inc. (jointly), The Utility Reform Network, and Mpower Communications Corp. D04-09-063 established revised unbundled network element rates for Pacific Bell Telephone Company dba SBC California.
 Agenda 3174, Item 64 6/15/2006 (Staff)
 Outcome Signed
 D06-06-070
 Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
 No: (none)
 Abstain: (none)
 Absent: (none)

46

[5724]

R04-04-003 - Conference with Legal Counsel - Application for Rehearing.

Disposition of Applications for Rehearing of D06-02-032 filed by the Center for Energy and Economic Development, Southern California Edison Company (SCE), and the Alliance for Retail Energy Markets. In D06-02-032, the Commission stated its intent to develop a load-based cap on greenhouse gas emissions for Pacific Gas and Electric Company, San Diego Gas & Electric Company, SCE and non-utility load serving entities that provide electric power to customers within these utilities' service territories. In addition, the decision provides guiding principles regarding a number of implementation issues. However, further development of those issues, consideration, and determination is left to a subsequent phase of R04-04-003 or successor proceeding.

Outcome Signed

D06-06-071

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

47

[5753]

A00-11-038 - Conference with Legal Counsel - Application for Rehearing

A00-11-056, A00-10-028 - Related matters. Disposition of Application for Rehearing of D05-04-049 filed by The Utility Reform Network (TURN). D05-04-049 disposed of TURN's request for compensation for work and costs related to its further participation in the federal district court proceedings, its efforts in the judicial review of D02-06-070, and work associated with TURN's challenge to the Commission's settlement of the Edison lawsuit.

Outcome Held (7/20/06.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)